

ASSEMBLY BILL

No. 1181

Introduced by Assembly Member Ridley-Thomas

February 21, 2003

An act to add Section 381.1 to the Insurance Code, relating to automobile insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1181, as introduced, Ridley-Thomas. Automobile insurance: rating information disclosures.

Existing law requires that an insurance policy shall specify various information.

This bill would require that a policy of automobile insurance contain a rating information disclosure regarding the information that was applied in determining the premium that was charged for the policy. The bill would require that the policy specify various information that was used as the basis for rating the coverage, including, among other things, the safety record convictions for each driver and the number of chargeable, at fault, property damage and bodily injury accidents for each driver. The bill would authorize the Insurance Commissioner to approve modifications to the language or the format described, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 381.1 is added to the Insurance Code, to
2 read:

1 381.1. (a) A policy of automobile insurance, as defined in
2 Section 660, shall contain a statement inserted on the declaration
3 page or attached to it, containing the information described in
4 subdivision (b) and the following language in at least 12-point
5 boldface type:

6
7 “Rating Information Disclosure

8 The following information was applied in determining the
9 premium that was charged for this policy.”

10
11 (b) The policy shall also specify the following information that
12 was used as the basis for rating the coverage:

13 (1) The specific number of minor driver safety record
14 convictions for each driver.

15 (2) The specific number of major driver safety record
16 convictions for each driver.

17 (3) The number of chargeable, at-fault, property damage
18 accidents for each driver.

19 (4) The number of chargeable, at-fault, bodily injury accidents
20 for each driver.

21 (5) The estimated annual mileage for each vehicle.

22 (6) The number of years of driving experience for each driver.

23 (7) The driver assigned as the rated driver for each vehicle.

24 (8) The type of use of each vehicle.

25 (9) A detail of any other factor that impacted the rating for each
26 driver or vehicle, including, but not limited to, gender, marital
27 status, smoker status, academic status, driver training, senior
28 defensive driver status, vehicle performance type, good driver
29 discount, and multivehicle households.

30 (c) The disclosure required in this section may contain
31 additional provisions that are not in conflict or derogation with
32 these provisions.

33 (d) The commissioner may approve modifications to the
34 language or format described, provided that the modifications are
35 not in conflict or derogation of this section and that the
36 modifications are necessary to ensure the accuracy of the
37 statement.